

2019

ACCA gender
pay gap narrative

Introduction

The promotion of equity of opportunity led to ACCA's creation. Today, it remains one of our core values and continues to inform everything we do and how we do it.

This means genuinely living our values internally as well as championing them externally. Understanding where disparity in representation and reward lie is key to creating a truly inclusive workplace.

Collecting and publishing ACCA's gender pay gap enables us to identify where issues exist and, most importantly, develop actionable plans to reduce gaps based on gender. It's encouraging that during 2019, both our mean and median pay gap shrunk, year-on-year, and our mean bonus gap has significantly narrowed, over the period, chiefly as a result of the greater proportion of women at the highest levels of our organisation.

At the same time, we fully recognise that while gender is one key component that can drive pay disparity, it is not the only factor that needs to be addressed. Our strategy to 2025 – which we launched on 1 April 2020 – makes explicit reference to inclusion as one of our three core values along with innovation and integrity. It's therefore more important than ever that we make sure anyone of ability has the chance to thrive and grow with ACCA.

As part of this, we have an active programme of consultation underway to help make ACCA an even fairer and more inclusive place to work. We are jointly taking responsibility for driving this, listening to our employees globally and looking to broaden our pay transparency reporting to include pay by ethnicity. We have set up a working group to help advance this agenda, including a review of our people policies and procedures.

The deeper understanding gained from this consultation will help improve our appreciation of employee demographic factors and identify areas we need to focus on to make further progress on delivering genuine equality across our workforce.



Helen Brand OBE
Chief executive



Julie Hotchkiss
Executive director – people

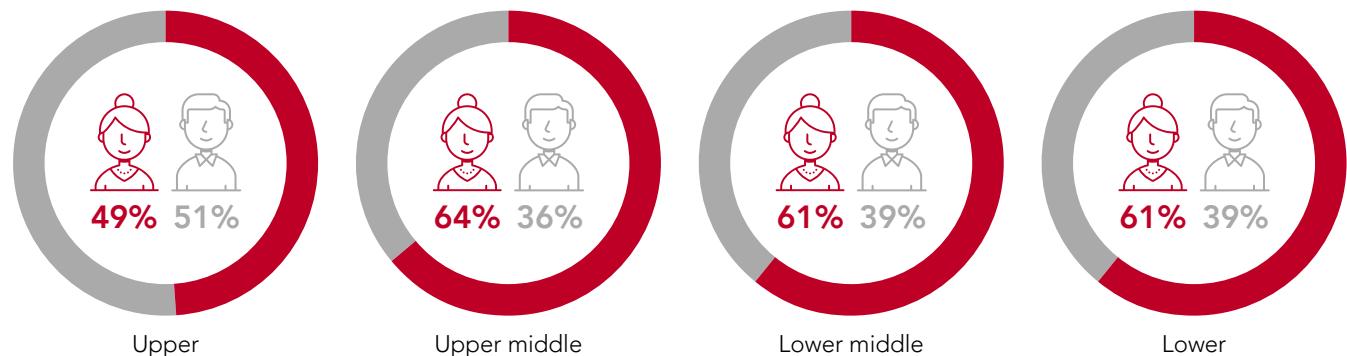
ACCA's commitment to gender pay gap reporting

Inclusion is at the heart of ACCA and central to both our values and behaviours. We recognise the importance of being transparent around our gender pay gap and have committed to voluntarily publishing our data and narrative each year.

Over the coming months, we will be taking a pro-active approach to enhance the data we collect from our employees. This demonstrates our commitment to broaden our pay transparency reporting and our aim is to publish both our gender and ethnicity pay gap results next year. This is a fundamental step in our journey to support and improve workplace equality.

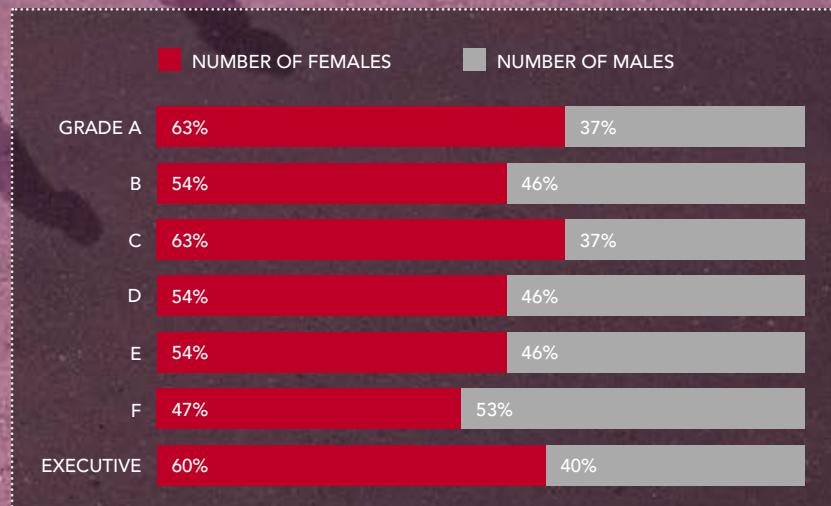
We recognise the need to adopt a holistic approach to inclusion and diversity that speaks to the broader culture of the organisation. Since the last publication of our gender pay gap report, we have established an Inclusion & Diversity (I&D) senior working group. This group has played an instrumental role in the development of our new global inclusion policy. Our intention is to establish community groups to ensure we continue to listen, learn and take action to develop people policies that truly foster an inclusive workplace. We are proud to have recently launched our new values and behaviours framework which also reinforces our commitment to be a truly inclusive, fair organisation that creates opportunity for all.

OUR GENDER POPULATION BY PAY QUARTILE



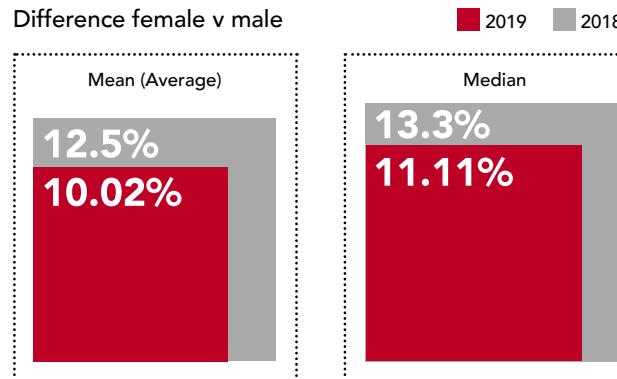
To determine our pay quartiles, we calculated employees' hourly rate of pay and positioned them from lowest to highest, allocating employees into four equal pay bands on the basis of these hourly rates. The upper quartile represents those paid at the highest hourly rates and the lowest quartile represents those paid at the lowest hourly rates

Whilst the pay quartile breakdown required under the gender pay gap regulations represents the proportion of men and women at different pay points, it does not account for the grading structure at ACCA. Our analysis by grade emphasises a balanced representation of males and females across our global grades. Gender balance at leadership and executive levels is particularly important and helps improve the diversity and breadth of our strategic decision making.



Our gender pay gap

OVERALL GENDER PAY GAP – HOURLY PAY



It's encouraging to see that we've made progress from last year with a reduction in both our mean and median pay gaps for 2019.

Our analysis indicates that this is partly attributed to changes in the gender composition of senior roles. We see this having a positive effect, compared to last year, with both the percentage of female 'executive directors' and the percentage of female 'directors' increasing during the period.

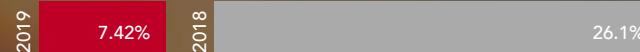
Our reward structure at ACCA is underpinned by job evaluation methodology and market benchmarked salary ranges. This provides a robust framework to drive consistency of approach across all resourcing processes. This is evident in relation to salary offers for new employees and we are pleased that this has had a tangible impact on narrowing our gender pay gap.

Over the last 12 months, we have analysed the starting salaries of employees joining ACCA. During this time period, no gender pay gap was evident within the average starting salary of males and females which is a positive step forward in our efforts to eliminate our overall gender pay gap.

Our bonus gaps

The mean gender bonus gap figure has significantly reduced this year, this is largely as a result of the increase in female representation within our Executive Team. We are proud that our global merit award scheme is truly inclusive in nature and that every employee is eligible to participate in the scheme regardless of their role or seniority. This is evident in the percentage of both males and females receiving a bonus payment.

MEAN GENDER BONUS GAP



FEMALES RECEIVING A BONUS



MEDIAN GENDER BONUS GAP



MALES RECEIVING A BONUS



Our action plan

UNDERSTANDING AND TAKING ACTION ON ACCA'S GENDER PAY GAP

Whilst it is encouraging that we are making positive steps in terms of our gender pay gap we know we still have work to do to get parity. We appreciate the importance of understanding the drivers behind our pay differentials and setting out planned steps to eradicate them. We've therefore established a working group to continue to build on our progress. Through this group we are working collaboratively to review our people policies and procedures. Our action plan is focused on providing a sustainable result and as such has been driven by key areas of focus proposed by the Government Equalities Office.



Performance management and reward processes

We recognise the need for transparent reward practices and the positive impact this can have on pay equality. Since our last gender pay gap publication, we have introduced compensation visibility for all people managers through our global PMIS system. This provides all people managers with access to key salary information for their team members and supports people managers when making decisions around hiring, promotions and secondments. Our intention is to extend visibility to enable our employees to view their own compensation data; helping to further our pay transparency agenda.

Our performance management process has been updated to reflect our new values and behaviours and reinforce our commitment to inclusivity. The process itself has been simplified and we intend to remove the requirement for employees to self-assess their own performance rating. Although there is no evidence of this at ACCA, there is a generally held perception that women underestimate their abilities or are more conservative in their assessment of their abilities than men are.



Promotion, secondment, attraction and hiring practices

It's important that we continue to build on the progress we've seen in terms of reducing pay differentials through our hiring processes and we remain focused on creating a truly diverse and equitable workplace.

To present opportunities to the widest population of people, we have committed to reviewing the language used within job descriptions and advertisements and will make adjustments, where necessary, to use gender-neutral language. This analysis will flag any instances where language may unintentionally discourage individuals from entering the application process.

As part of this review, we will also consider publishing salary ranges within job advertisements. There is some evidence to suggest that this enables more meaningful salary discussions during the resourcing process and can limit any gender bias. To ensure that historical biases are not perpetuated, consideration will also be given as to whether it is advantageous to remove any questions relating to existing salaries as part of the resourcing process.

We are in the process of embedding our new values and behaviours throughout our resourcing processes. By providing managers with guidance around structured interview questions, which relate to both our behaviours and the role itself, the impact of any unconscious bias should be reduced.



Family friendly and flexible working policies

Flexible working is integral to ACCA's culture and we support a range of formal and informal arrangements.

Working flexibly is actively encouraged and, in line with our values, we are committed to removing artificial barriers, creating connections and embracing diversity. We want to create opportunity for all and ensure that everyone working for ACCA feels supported at work. We're currently gathering feedback through focus groups and a survey around the future of work so that we can continue to offer flexibility. We know this is valued, through feedback provided in our engagement surveys, and that having such flexibility helps to support employees in managing family and caring commitments.

We recently launched a revised paternity policy which offers two weeks fully paid paternity leave as a minimum. This applies to all our offices globally, even where paternity leave is not a recognised concept. This demonstrates our commitment to reviewing and continually developing our family friendly policies.

Earlier this year we replaced our former equal opportunities policy with a new inclusion policy to tie in with our new values – one of which is inclusion. At ACCA we recognise the value inherent in having a diverse workforce and in creating an inclusive work environment for all.



Employee experience and engagement

We are excited to have recently launched a new employee engagement platform. This invaluable feedback tool will provide a wealth of insightful information in relation to gender and overall employee engagement and this in turn will help shape the action we take in this area.

The new online platform also allows us to collect real-time information and feedback via pulse surveys, enhancing our ability to gather wider views from our employees on topics such as flexible working and inclusion and diversity.

Our working group is already in the process of reviewing the data from the inaugural survey, the insights from which will feed into our ongoing gender pay action planning process.

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